

MEETING MINUTES
Our City, Our Home Oversight Committee
March 23, 2023
Hearing Room 416, City Hall

Committee Members

Nina Catalano
Michelle Cunningham-Denning
Julia D'Antonio
Jennifer Friedenbach
Julie Leadbetter
Shanell Williams

Members of the Our City, Our Home Oversight Committee attended this meeting in-person.

Note: The Our City, Our Home Oversight Committee meetings are live streamed at SFGovTV.org. The agenda, video recording, audio recording, and caption notes are posted at:
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<https://sf.gov/meeting/march-23-2023/our-city-our-home-oversight-committee-regular-meeting>

1) **Call to Order**

Chair Williams called the meeting to order at 9:37AM.

Roll Call:

Member Catalano: Present
Member Cunningham-Denning: Absent
Vice Chair D'Antonio: Arrived late
Member Friedenbach: Present
Member Leadbetter: Absent
Chair Williams: Present

The meeting did not have quorum and could not take actions. The meeting's content included informational presentations, question & answer, and public comment

Ramaytush Ohlone Land Acknowledgement:

We acknowledge that we are on the unceded ancestral homeland of the Ramaytush Ohlone, who are the original inhabitants of the San Francisco Peninsula. As the indigenous stewards of this land and in accordance with their traditions, the Ramaytush Ohlone have never ceded, lost nor forgotten their responsibilities as the caretakers of this place, as well as for all peoples who reside in their traditional territory. As guests, we recognize that we benefit from living and working on their traditional homeland. We wish to pay our respects by acknowledging the ancestors, elders and relatives of the Ramaytush Community and by affirming their sovereign rights as First Peoples.

- 2) ***Opportunity for the public to comment on any matters within the Committee's jurisdiction that are not on the agenda.***

There were no public comments on this agenda item.

- 3) Action Item
Approval, with possible modification, of the meeting minutes from January 26, 2023, and February 23, 2023.

This agenda item was tabled to the April 27, 2023, meeting because a quorum of members was not present to vote.

- 4) Discussion/Possible Action Item
Presentation of third quarter OCOH revenue picture and forecast, with discussion and possible action by the Committee.

Carol Lu, Citywide Revenue Manager presented the third quarter OCOH revenue picture and forecast [using the linked slide deck](#). The analysis showed that the fund revenue was stronger than projected in November 2022, but still less than budgeted.

There were no public comments on this agenda item.

Member Catalano asked how the collapse of Silicon Valley Bank may impact the OCOH fund. Ms. Lu said that the forecast was made before the banking collapse, and so has not been factored into the forecast. Ms Lu said that one way the banking sector could impact the OCOH Fund would be if business that pay the tax somehow couldn't be paid out due to the bank failure. However, such a scenario hasn't been modeled fully.

Member Friedenbach asked why telecommuting has impacted the fund so severely. Ms. Lu said that it has to do with how much of a business's gross receipts are attributable to San Francisco. The tax code allows businesses to "apportion" revenue by comparing the San Francisco payroll against the world-wide payroll and then applying the proportion to the gross receipts. Fewer employees working in San Francisco, translates into a lower portion of revenue that is taxable.

Vice Chair D'Antonio asked how many companies pay the homelessness gross receipts tax? And which companies are they? Would it be possible to find out whether they have leases in San Francisco and how long their leases last? Ms. Lu said that the Controller's Office cannot share confidential tax information. There is a separate analysis of commercial leases to help the City project when and how much property values might decrease. But that analysis doesn't factor into the OCOH Fund forecast.

Chief Deputy Director Simmons of the Department of Homelessness and Supportive Housing (HSH) summarized the estimated cost of the Housing, Shelter & Hygiene, and Homelessness prevention programs that are currently funded by the OCOH Fund and compared these costs against the five-year revenue estimates provided by the Controller's Office. The presentation [charts are linked here](#). She said that while the OCOH Fund forecast has improved over the November projection, the longer term view shows that by FY26-27 the Adult Housing category will have a deficit.

Chief Deputy Director Simmons said that Family and Youth Housing have a stronger outlook, with a surplus in each year of the projection. This is because the Department of Homelessness and Supportive Housing has been successful in leveraging other revenue sources, like State Homekey funding.

In the Shelter & Hygiene category, there will be enough revenue and one-time sources to cover projected spending for the upcoming two-year budget cycle, but by FY25-26 there begin to be shortfalls in the Shelter & Hygiene Fund.

In Homelessness Prevention the projections are the tightest. In FY24-25 HSH anticipates a \$9.8m shortfall.

Deputy Director Simmons said that everyone is relieved that the March revenue update has rebounded from the November projections. However, the spending plans were created using much higher annual revenue number, and the revenues still aren't keeping up.

Member Friedenbach thanked Deputy Director Simmons. She said seeing the one-time amounts is helpful. Member Friedenbach asked if it's possible to know how much of the surplus is one-time or ongoing? If the OCOH Revenue row is higher than the amount in the program uses row, then there is a budget surplus that may be ongoing. The projected surplus in one year becomes the next year's one-time sources. Member Friedenbach confirmed that the Youth and Family Housing categories currently have surplus funds. Deputy Director Simmons said that HSH is actively pursuing two site acquisitions. If those buildings are purchased, then the numbers will change to reflect operating costs.

Member Catalano asked whether the reserves are being maintained, or drawn down in the five-year estimates? Deputy Director Simmons said that the reserves are showing up in the tables as a year-end balance and are available as a source to program for reserves in the following year.

Emily Gibbs Deputy Finance Officer at the Department of Public Health presented the estimated cost of the Mental Health programs that are currently funded by the OCOH Fund and compared these costs against the five-year revenue estimates provided by the Controller's Office. [The table presented is linked here.](#) She said that the Mental Health section of the fund will have a structural operating problem beginning in FY 25-26.

Member Friedenbach asked whether the acquisitions balances included in the one-time savings? Ms. Gibbs said that currently the acquisitions funding remains set aside for that purpose.

Chair Williams asked to go to public comment while the slides loaded. Francisco Da Costa made a public comment by telephone. He said that the presenters are not concerned with the real situation in San Francisco. He suggested working with the private sector.

Member Friedenbach asked if there is thinking about acquiring more co-ops, which has been a very successful shared living situation for people with behavioral health challenges. Is there thinking about using acquisitions funding to buy additional coops? And could Cal-AIM be used to pay for support services? Kelly Kirkpatrick, Director of Operations and Administration for Mental Health SF, said that the Department of Public Health has increased bed availability in the system through contracting and operating dollars, but the goal is to acquire sites and to relocate those beds in San Francisco. As well, DPH has been pursuing state funding opportunities for acquisition funding.

Member Friedenbach said she thinks the Committee could add Co-ops to the acquisitions spending plan because they're not very expensive. She said it would be helpful to see the plan for acquisitions.

Member Friedenbach said she sees a lot of crisis care in the Mental Health spending plan. And, Member Friedenbach said she would like to see a balance for ongoing care and ongoing housing opportunities in the Mental Health spending plan. Member Friedenbach asked for rough estimates of acquisition costs and balances.

Chair Williams asked to go to public comment. There were no public comments.

5) Discussion/Possible Action Item

Presentation of findings from the participatory research that informed the Department of Homelessness and Supportive Housing's City-Wide Strategic Plan, with discussion and possible action by the Committee.

Stephany Ashley, Couper Arona, and Earl Simms of Talent Poole Consulting presented the participatory action research they conducted in support of the Department of Homelessness and Supportive Housing's strategic planning process. [The slides that accompanied the presentation are located here.](#)

Deputy Director of Planning at HSH, Cynthia Nagendra praised and thanked Talent Poole and the Community Liaisons for the hard work they put into the project. She said that the input and findings from the study shaped the priorities in the City-Wide Homelessness Strategic Plan.

Stephany Ashley said that they are planning ways to share the strategic plan with the organizations and people who contributed to the qualitative research.

Vice Chair D'Antonio applauded the research methodology and execution. She asked for findings to be disaggregated by Families, Youth, and Adults. Ms Ashley described the questions asked to identify families with minor children. Deputy Director Nagendra added that the City has the data and can sort it in a variety of ways, as needed.

Member Friedenbach said she thought the research was great. She asked if people who were currently sheltered or unsheltered also said that they wanted improved housing rather than more housing? Stephany Ashley and Earl Simms said that they could revisit the data to explore this question. Ms. Nagendra said that HSH is also exploring this question in greater detail with nonprofits, too.

Member Catalano asked whether the surveys offered insight into what could have prevented people from becoming homeless? Couper Arona said that one notable response was the number of people who reported leaving housing because they felt unsafe in their housing. Earl Simms added that interviewers used motivational interviewing techniques, which illuminated complex challenges. As an example, participants noted the neighborhoods where PSH sites are located can be "triggering" for people's behavioral health issues. And those behavioral health challenges can become barriers to PSH retention.

Chair Williams asked what would help improve safety? Couper Arona suggested adding female staff and de-escalation trainings can produce a safer environment. Stephany Ashley said that the safety concerns are real, and majority of people said that they would accept housing if offered.

Chair Williams thanked the presenters, Deputy Director Nagendra and Chief Deputy Simmons.

There were no public comments on this agenda item.

6) Discussion/Possible Action Item

Community Liaisons present budget priorities and draft proposals for Committee discussion and possible action

[The slides from this presentation are located here.](#)

Chair Williams introduced the Committee's process for drafting budget recommendations including

reviewing the priorities and objectives set out in the Committee's Needs Assessment (2022) and the 2-Year Investment Plan (2021).

Member Friedenbach presented the Shelter and Hygiene investments, objectives, and recommendations. Recommendations include:

- Protecting funding for Hotel Vouchers and using any one-time savings to expand investment
- Protecting funding for RV/Trailer Program
- Maintaining funding for the Family Shelter program
- Safe sleep is a low priority for the budget.

Member Catalano presented the Homelessness Prevention investments, objectives, and recommendations. Recommendations include:

- Protecting and increase funding for Targeted Homelessness Prevention
- Protecting eviction prevention and housing stabilization
- Adding shallow subsidies if funding allows.

Chair Williams presented the Permanent Housing investments, objectives, and recommendations. Recommendations include:

- Ongoing funding for Women's Flex Pool.
- Reprogramming unspent funding from flex pool to site-based permanent housing
- Investing in Latinx and LGBTQIA+ communities
- Adding shallow subsidies.

Member Catalano asked about the Women's Flex Pool recommendation, whether the goal is to provide vouchers to women or if it is a program model tailored to homeless women's needs? Member Friedenbach affirmed the latter.

Chair Williams decided to table the presentation of Mental Health investments, objectives, and recommendations until Member Cunningham-Denning can present them. Chair Williams thanked the Liaisons for their work on the recommendations.

There were no public comments on this agenda item.

7) Discussion/Possible Action Item

Opportunity to propose future agenda items with discussion and possible action by the Committee.

Members proposed no agenda items for future meetings.

There were no public comments on this agenda item.

8) ***Adjourn***

Chair Williams requested a motion to adjourn. Member Friedenbach moved to adjourn the meeting and Member Catalano seconded the motion.

The meeting adjourned at 11:44 AM.

Committee staff and members can be reached at OCOH.CON@sfgov.org